



OFFICIAL GAZETTE

GOVERNMENT OF GOA

Note: There is one Extraordinary issue to the Official Gazette Series. I No. 14, dated 6-7-2006 namely, Extraordinary dated 6-7-2006 from pages 223 to 224 regarding Notification from Department of Law and Judiciary (Legal Affairs Division).

GOVERNMENT OF GOA

Department of Industries

Directorate of Industries, Trade and Commerce

Government of Goa's Policy on SEZ Goa SEZ Policy, 2006

Resolution taken by the Council of Ministers in its
XXIst meeting held on 5-6-2006

PREAMBLE:

Government of India have notified Special Economic Zones (SEZs) Act, 2005 and notified Special Economic Zone Rules, 2006 on 10-2-2006 with a view to augmenting infrastructure facilities for export production. Setting up of Special Economic Zones are permitted in the public, private, joint sector or by the State Governments. These SEZs are to be deemed foreign territory for tariff and trade operations. The concept of SEZ is expected to bring large dividends to the State in terms of economic and industrial development and the generation of new employment opportunities. The SEZs are expected to be engines for economic growth.

Government of India has given special attention for development and creating infrastructure in SEZ Rules, 2006 by reducing minimum requirement of land, for certain category of States including Goa.

The Central Government has offered various incentives and facilities both to the developer of

SEZ as well as the industrial units coming up in SEZ. All kind of units namely manufacturing, trading or service activities are permitted in SEZ. All approvals are to be given by the Development Commissioner appointed by Government of India for establishment of the units in SEZ. The State Governments are required under the scheme to offer specified facilities and concessions for promotion of units in SEZs.

In the context of Government of India guidelines for the establishment of SEZs, the matter of formulating a policy regarding the dispensations which the State Government will accord to promote the development of SEZs, has been under consideration of the State Government for some time past. After careful consideration, it has now been decided that the following policy will apply to all SEZs in the State of Goa, subject to the framework for SEZ determined by Government of India from time to time.

GOVERNMENT RESOLUTION:

Environment

(i) NOCs, consents and other clearances required from the Goa Pollution Control Board for units and activities within SEZ would be granted by the empowered Officer of the Board working under the administrative supervision and control of the designated Development Commissioner of the SEZs. The activity of projects which falls within the ambit of the Environmental Ministry will have to obtain environment clearance from Ministry of Environment and Forest, Government of India. In the event Government of India delegates the powers to the designated Development Commissioner or other authority within the SEZ, the clearance may be sought accordingly.

WATER SUPPLY

(ii) The SEZ authority (Special Economic Zone Authority constituted under sub-section (i) of Section 13 of SEZ Act) shall ensure the provision of adequate water supply within the SEZ zones for SEZ units.

POWER

(iii) The SEZ authority will ensure continuous and quality power supply to SEZs, Public Sector Enterprise(s) or joint ventures promoted by them can establish Independent Power Producers" (IPPs) which will be permitted to establish dedicated provision of power to the SEZ including generation, transmission and distribution of power; fixing tariffs for the zone. The SEZ authority should ensure stand by arrangements. The IPPs will also be permitted to establish grid connectivity so as to draw power from all the grid in case of standby arrangements, subject to their entering into, a separate agreement with Goa State Electricity Board (GSEB) or Electricity Department, Government of Goa on mutually acceptable terms. Industrial units and other establishments in those SEZs for which no Independent Power Producer has been established will be permitted to generate their own power for captive use.

(iv) The State Government under the Package Scheme of Incentives exempt units set up in SEZs from payment of electricity duty for a period of 15 years. This exemption is applicable to the units in the SEZs from the date of commencement of production or rendering of services. Exemptions from electricity tariff should be subject to provisions of the Electricity Act.

STATE TAXES, DUTIES, LOCAL TAXES AND LEVIES

(v) Developers of SEZs and industrial units and other establishments within the SEZs will be exempted from all States and Local taxes and levies, including VAT, Sales Tax, Purchase Tax, Octroi, Cess, Entry Tax, etc. in respect of the supply of goods and services from the Domestic Tariff Area to units/establishments.

(vi) All industrial units and their expansion located in the SEZs, irrespective of their location within the State, shall be exempted from payment of Stamp Duty and registration fees for a period of 5 (five) years.

The tax exemptions should be for the authorized operations in accordance with the provisions of the Special Economic Zone Rules, 2006 framed by Ministry of Commerce & Industry, Government of India.

LABOUR REGULATIONS

(vii) The powers of the Labour Commissioner, Government of Goa shall be delegated to the designated Development Commissioner or other authority in respect of the area within the SEZs. Modalities will be devised for the grant of various permissions required from the Labour Commissioner within the SEZs themselves through the stationing of exclusive personnel for the purpose or through other means so that clearances relating to various labour laws can be provided at a single point in the SEZs. Except in emergent circumstances, the prior permission of the Development Commissioner or other designated authority of the SEZs would be required for the conduct of inspections of these agencies of industrial units and other establishments within the SEZs.

(viii) The powers of the Chief Inspector of Factories & Boilers, Government of Goa shall be delegated to the designated Development Commissioner or other authority in respect of the area within the SEZs. Modalities will be devised for grant of various permissions required from the Chief Inspector of Factories & Boilers, Government of Goa, within the SEZs themselves through the stationing of exclusive personnel for the purpose or through other means so that clearances relating to various labour laws can be provided at a single point in the SEZs. Except in emergent circumstances, the prior permission of the Development Commissioner or other designated authority of the SEZs would be required for the conduct of inspections by these agencies of industrial units and other establishments within the SEZs.

(ix) All industrial units and other establishments in the SEZs will be declared as "Public Utility Service" under the provisions of the Industrial Disputes Act.

(x) Subject to Legislature approval and Government of India's assent, amendments shall be proposed to the Industrial Disputes Act. The proposed amendments include, inter-alia, limiting the applicability of Chapter VB to industries

employing 300 or more workmen, etc. Similarly the Contract Labour (Regulation & Abolition) Act is proposed to be amended to exclude certain peripheral service activities. In case it is not found feasible to amend these statutes as proposed, similar amendments will be proposed only for units and establishments within the SEZs.

SSI AND IT REGISTRATION

(xi) The power to grant provisional and permanent Small Scale Industry Registration, a letter of intent and Registration to Information Technology units, will be delegated to the Development Commissioner or other designated authority in respect of units in the SEZs.

SEZs AS INDUSTRIAL TOWNSHIPS

(xii) The State Government will take appropriate steps to declare the SEZs as Industrial Townships to enable the SEZs to function as self-governing, autonomous municipal bodies.

LAW & ORDER

(xiii) The State Government shall make appropriate and exclusive arrangements within the SEZs for the maintenance of law and order.

COMMITTEE FOR REVIEW & DEVELOPMENT OF SEZ

(xiv) The State Government shall constitute a Committee of secretaries and other concerned officials including representatives of the SEZ authorities/promoters, under the Chairmanship

of Chief Secretary to resolve various issues pertaining to the promotion, development and functioning of SEZs in the State.

By order and in the name of the Governor of Goa.

Hanumant T. Toraskar, Under Secretary (Industries).

Porvorim, 6th July, 2006.

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Department of Revenue

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Notification

1-1-2005/GRB/Estt.

In exercise of powers conferred under sub-section 3 of section 1 of the Goa Rehabilitation Board Act, 2006 (Goa Act 9 of 2006), Government hereby fixes 1-7-2006 as the date on which the Goa Rehabilitation Board Act, 2006 (Goa Act 9 of 2006) shall come into force.

By order and in the name of the Governor of Goa.

V. S. N. Gaunekar, Under Secretary (Revenue).

Porvorim, 30th June, 2006.